

TORONTO STOCK EXCHANGE

AMENDING FILING STATEMENT NO. 226.
FILED, AUGUST 13th. 1964.

UNITED COMSTOCK LODE MINES LIMITED
Full corporate name of Company

AMENDING FILING STATEMENT

(To be filed with respect to any change in a Filing Statement filed within a period of six months)

To be read in conjunction with Filing Statement No. 1036 dated February 11, 1964 and
Amending Filing Statements No. 172 dated March 17, 1964, and No. 193 dated May 12, 1964.

| | | | | | | | | | | | |
|--|--|---------------------------------------|---------------------------------|-----------------------------------|---|-----------------------------------|---|------------------------------------|---|------------------------------------|---|
| Brief statement of the material change in the affairs of the company in respect of which this amending filing statement is filed. | Underwriting and option agreement on treasury shares (see Item 6 hereof). | | | | | | | | | | |
| 6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement. | <p>By agreement dated August 7, 1964, Lynch Holdings Limited has agreed, subject to acceptance for filing of this Amending Filing Statement by the Toronto Stock Exchange, to purchase forthwith 200,000 shares of the Company's capital stock at the price of 50¢ per share for a total purchase price of \$100,000.00. In consideration of the foregoing the Company will grant Lynch Holdings Limited the right and option to purchase all or any part of an additional 800,000 shares of the Company as follows:</p> <table><tr><td>200,000 shares @ 50¢ per share within</td><td>3 months of the effective date;</td></tr><tr><td>200,000 " @ 60¢ " " " 6 " " " " "</td><td>"</td></tr><tr><td>200,000 " @ 70¢ " " " 9 " " " " "</td><td>"</td></tr><tr><td>100,000 " @ 80¢ " " " 12 " " " " "</td><td>"</td></tr><tr><td>100,000 " @ 90¢ " " " 15 " " " " "</td><td>"</td></tr></table> | 200,000 shares @ 50¢ per share within | 3 months of the effective date; | 200,000 " @ 60¢ " " " 6 " " " " " | " | 200,000 " @ 70¢ " " " 9 " " " " " | " | 100,000 " @ 80¢ " " " 12 " " " " " | " | 100,000 " @ 90¢ " " " 15 " " " " " | " |
| 200,000 shares @ 50¢ per share within | 3 months of the effective date; | | | | | | | | | | |
| 200,000 " @ 60¢ " " " 6 " " " " " | " | | | | | | | | | | |
| 200,000 " @ 70¢ " " " 9 " " " " " | " | | | | | | | | | | |
| 100,000 " @ 80¢ " " " 12 " " " " " | " | | | | | | | | | | |
| 100,000 " @ 90¢ " " " 15 " " " " " | " | | | | | | | | | | |
| 7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof. | <p>Lynch Holdings Limited has entered into the aforesaid agreement on its own behalf as to a 50% interest in the 200,000 shares underwritten at 50¢ each and on behalf of its client, Roburn Investments Limited, Toronto, as to a remaining 50% interest in the said underwritten shares. Lynch Holdings Limited holds the options on the aforesaid 800,000 shares on behalf of its said client, Roburn Investments Limited as to a 100% interest therein. To the knowledge of the signatories hereto the only persons having a greater than 5% interest in Lynch Holdings Limited are, E. T. Lynch, 341 Riverview Drive, Toronto 12, J. B. Wadsworth, 20 Owen Blvd., Willowdale, and J. Ryan, 87 Chatsworth Drive, Toronto 12, and the only person having a greater than 5% interest in Roburn Investments Limited is Mr. Bernard B. Jessel, 55 Strathearn Road, Toronto 10. Mr. Jessel is President and a Director of this Company.</p> | | | | | | | | | | |
| 9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any. | <p>The proceeds of the sale of treasury shares referred to in Item 6 hereof will be used:</p> <p>(a) to satisfy the commitments of the Company as contained in the agreement dated June 30, 1964 made between Canyon State Development Corporation, Apache Minerals Inc., Anne Corporation and Bernard Jessel as Trustee, as assigned to the Company by Bernard Jessel on July 21, 1964.</p> <p>(b) For general administrative corporate expenses incurred in the ordinary course of business.</p> | | | | | | | | | | |
| Statement of any other material facts and if none, so state. | <p>The shares of the Company referred to in Item 6 hereof will be in the course of primary distribution to the public.</p> <p>There are no other material facts to report.</p> | | | | | | | | | | |

DATED August 7th, 1964

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"B.B. Jessel"

"C.H. Punchard"

UNITED COMSTOCK LODE MINES LIMITED
CORPORATE SEAL
Director
Director

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

LYNCH HOLDINGS LIMITED

"J.B. Wadsworth"

J. B. Wadsworth

FINANCIAL STATEMENTS

UNITED COMSTOCK LODGE MINES LIMITED
(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET

August 12, 1964

- ASSETS -

Current assets

| | | |
|---------------------------|---------------|------------|
| Cash. | 147,551.10 | |
| Prepaid expenses. | <u>136.00</u> | 147,687.10 |

Mining properties

| | | |
|--|------------------|-----------|
| Held under lease, Storey County, Nevada, at the consideration given therefor consisting of 75,000 shares of capital stock valued at 15¢ per share and \$10,831.25 cash | 22,081.25 | |
| 30 Mining claims, Timmins area at the consideration given therefor consisting of 40,000 shares of capital stock valued at 30¢ per share and \$30,400.00 cash | <u>42,400.00</u> | 64,481.25 |

Expenditures deferred

| | | |
|--|------------------|-------------------|
| Advances for exploration on Nevada mining leases. . . . | 10,297.76 | |
| Development and administrative expenditures as per statement | <u>56,999.83</u> | <u>67,297.59</u> |
| | | <u>279,465.94</u> |

- LIABILITIES -

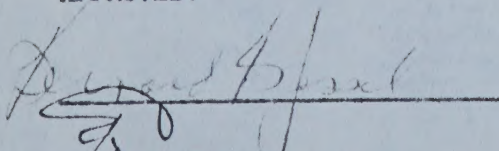
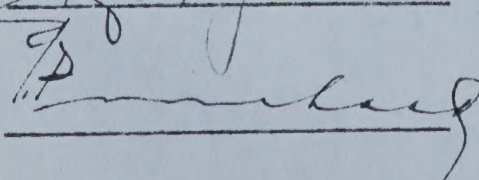
Current liabilities

| | | |
|---------------------------|--|----------|
| Accounts payable. | | 6,201.00 |
|---------------------------|--|----------|

Capital stock and Deficit

| | | |
|---|---------------------|-------------------|
| <u>Capital stock</u> | | |
| Authorized, 5,000,000 shares of \$1.00 each | | |
| Issued, 3,815,000 shares. | 3,815,000.00 | |
| Less: Discount | <u>2,566,746.00</u> | |
| | <u>1,248,254.00</u> | |
| <u>Deduct</u> Deficit | <u>974,989.06</u> | <u>273,264.94</u> |
| | | <u>279,465.94</u> |

APPROVED:

 Director
 Director

UNITED COMSTOCK LODE MINES LIMITED

STATEMENT OF DEVELOPMENT AND ADMINISTRATIVE EXPENDITURES DEFERRED

For the period March 15, 1964 to August 12, 1964

Development expenditures

General

| | | |
|-------------------|--|--------|
| Licenses. | | 100.00 |
|-------------------|--|--------|

Timmins

| | | |
|-----------------------------|----------|----------|
| Consulting. | 500.00 | |
| Survey. | 6,196.00 | |
| Report. | 400.00 | |
| Government fees | 304.50 | |
| Equipment rentals | 120.00 | |
| Line cutting. | 440.00 | |
| Maps. | 68.19 | 8,028.69 |

Arizona

| | | |
|---------------------------|--------|--------|
| Transportation. | 297.22 | |
| Equipment rental. | 91.14 | |
| Supplies. | 45.30 | |
| Legal | 542.38 | 976.04 |

Nevada

| | | |
|-----------------------------|-----------|-----------|
| Drilling. | 18,271.46 | |
| Reports | 1,905.24 | |
| Consulting. | 3,652.96 | |
| Engineering | 1,200.87 | |
| Supplies. | 82.77 | |
| Transportation. | 3,655.38 | |
| Board | 1,066.60 | |
| Equipment rentals | 886.00 | |
| Sundry. | 334.57 | 31,055.85 |
| | | 40,160.58 |

Administrative expenditures

| | | |
|---------------------------------------|----------|-----------|
| Legal and audit | 3,800.54 | |
| Registrar and transfer agent. | 693.54 | |
| Listing fees. | 965.78 | |
| Publicity. | 4,097.77 | |
| Annual report | 330.48 | |
| Administration fees | 975.00 | |
| Travel. | 1,607.41 | |
| Reorganization expense. | 1,835.00 | |
| Office salaries | 1,533.06 | |
| Office and general expense. | 1,000.67 | 16,839.25 |

56,999.83

UNITED COMSTOCK LODE MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the period from July 1, 1964 to August 12, 1964

Source of funds

Sale of capital stock 200,000 shares at 35¢ per share \$70,000.00

Application of funds

Increase in advances for exploration on Nevada mining
leases 3,267.50

Development expenditures:

Storey County, Nevada. 11,005.01
Timmins, Ontario 6,244.00
Arizona. 699.57

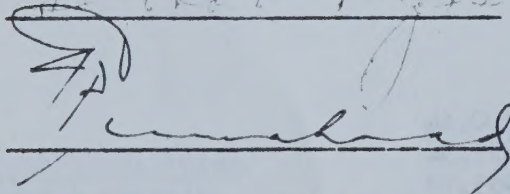
Administrative and corporate expenses. 1,774.34

Increase in working capital 47,009.58

\$70,000.00

APPROVED:

 Director

 Director

TORONTO STOCK EXCHANGE

AMENDING FILING STATEMENT NO. 223.
FILED, AUGUST 13th. 1964.

UNITED COMSTOCK LODE MINES LIMITED

Full corporate name of Company

AMENDING FILING STATEMENT

(To be filed with respect to any change in a Filing Statement filed within a period of six months)

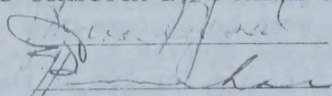
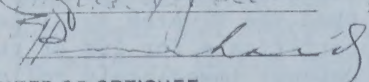
To be read in conjunction with Filing Statement No. 1036 dated February 11, 1964.

| | |
|--|---|
| Brief statement of the material change in the affairs of the company in respect of which this amending filing statement is filed. | This amending filing statement is filed: (a) to disclose a dispute filed against a recorded mining (Item 20). (b) to report an agreement whereby Company takes a working interest in a large block of claims in Arizona (Item 11) |
| 4. Share capitalization showing authorized and issued and outstanding capital. | Authorized capital - 5,000,000 shares \$1. par value each. Issued - 3,815,000 shares |
| 9. Brief statement of company's future development plans; including proposed expenditure of proceeds of sale of treasury shares, if any. | The Company has spent sufficient monies on its mining lease in Virginia City, Nevada, to maintain same in good standing for a year. The Company intends to spend its available funds in defraying the expenditures required pursuant to the agreement referred to in Item 11 hereof. |
| 11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid. | See Schedule "A" hereto annexed. By an agreement dated the 21st day of July, 1964, Bernard Jessel, subject to the consent of the Toronto Stock Exchange, has transferred and assigned all his right, title and interest in and to the said agreement of the 30th of June, 1964 to this Company, and this Company has covenanted and agreed to assume all Bernard Jessel's covenants under the said agreement. Schedule "A" is located on pages 2 & 3. |
| 12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company. | The signatories hereto are unaware who holds a greater than 5% interest in Cayon State Development Corporation, whose head office is at 4700 North Central Street, Phoenix, Arizona. The signatories hereto believe that the only person holding a greater than 5% interest in Apache Minerals, Inc., whose head office is Room 601, Greater Arizona Savings Building, Phoenix, Arizona, is Joseph O. Willauer, 112 North Adel Ave., Phoenix, Arizona. The only person owning a greater than 5% interest in Aane Corporation, 207 West Clarendon Avenue, Phoenix, Arizona, is R. Jay Allison, 1416 East Thomas Road, Phoenix, Arizona |
| 20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public. | The Company has been served with notice by one Leonard J. Cunningham of Kirkland Lake, Ontario, that he has filed a dispute with the Mining Recorder at Timmins in respect to Mining Claim P61063, being one of the claims referred to in Item 11 of Amending Statement No. 93. Shares of the Company are presently in the course of primary distribution. There are no other material facts. |

DATED July 21, 1964.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

UNITED COMSTOCK LODE MINES LIMITED
"B.B. Jessel"  CORPORATE SEAL
"C.H. Punchard" 

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

SCHEDULE "A"

SUMMARY OF AN AGREEMENT REFERRED TO IN
ITEM 11 OF THE ATTACHED AMENDING STATEMENT:

Apache Minerals, Inc. (Apache) holds:- (a) a lease of the Copper Queen Group of 24 patented mining claims at a rental of \$110. per month with an option to purchase for \$150,000 with Lessee's payments applying toward the purchase price; (b) a purchase contract comprising the Binghampton Group of 14 patented mining claims for \$100,000 payable \$2500 per month plus interest at 6% per annum; and (c) a lease purchase contract affecting 12 unpatented mining claims known as the "Payoff" Group with monthly rental payments of \$90 with an option to purchase for \$90,000 with the rental payments applying against the purchase price.

Apache and Canyon State Development Corporation (Canyon) are:-

(a) the recorded owners of a group of 12 unpatented mining claims known as the "Copper Hill's Group; (b) are the recorded owners of a group of 7 unpatented claims known as the "Payoff Extension" Group.

Aane Corporation (Aane) is:- (a) the recorded owner of a group of 17 unpatented mining claims known as the "Heather Group"; (b) the holder of a prospecting permit issued by the State of Arizona, comprising 501.18 acres.

All the above mentioned claims are situated in Yavapai County, State of Arizona, U.S.A. and comprise one solid block of claims.

An agreement dated as of the 30th of June, 1964 was entered into between the above mentioned Companies and Bernard Jessel (Trustee). A summary of this agreement is as follows:-

Within 60 days from the date of the agreement, the Trustee is to cause the incorporation of a mining company under the laws of Arizona with a capitalization of 50,000,000 shares having no par value (hereinafter referred to as the "Mining Company"); the Trustee is to arrange such financing as is required of the Mining Company; Upon incorporation of the Mining Company the above Companies are to deliver to the Mining Company all documents required to vest all their right, title and interest in the above mining claims in the Mining Company; the said Companies warrant that the patented claims are free of all encumbrance save such balance payable upon the purchase price for the patented claims and the leasehold payments, payable subsequent to June 30, 1964, which payments the Trustee either agrees to pay or, in the alternative, arrange funds for the Mining Company to assume and pay; the said Companies warrant the total balance of the purchase price does not exceed \$340,000, payable at the rate of approximately \$3200 monthly from July 1, 1964; the said Companies agree to pay off a mortgage of \$12,000 plus interest at 8%, due January 2, 1965 on the Binghampton Group of claims and to indemnify the Trustee against any loss in connection therewith; the Trustee agrees that in addition to the \$3200 monthly payments, he will pay or cause the Mining Company to pay \$6240, being one-half of the mortgage money plus one-half of the interest and such payment will apply on the last part of the purchase price of \$340,000; against delivery of the title documents to the Mining Company the Trustee shall set aside and make available to the Mining Company \$75,000 to be used for the purpose of paying the cost of exploring, developing and core drilling the said claims; \$25,000 of such money shall be paid to Canyon for exploration and development work already done by Canyon; upon delivery of the title documents, 10% of the total authorized capital stock of the Mining Company shall be issued to the said Companies or as they in writing direct and 90% shall be issued to the Trustee, provided, however, the said 90% shall be deposited with the First National Bank of Arizona; exploration and development work shall commence upon the incorporation of the Mining Company and shall be proceeded with for a period of six months or until the \$75,000 has been spent (which period is hereinafter referred to as the "exploration period"); at the end of the exploration period the Trustee shall have the right to notify the said Companies that he elects not to proceed further and upon receipt of such notice this agreement shall be null and void, excepting that the Trustee must pay all unpaid obligations incurred or assumed prior to termination; upon receipt of such notice the First National Bank of Arizona shall immediately deliver up to the Mining Company all shares of the capital stock of the Mining Company being held for the Trustee and thereafter the Mining Company shall cancel same; at the end of the exploration period and provided the Trustee has not given notice of termination and provided the Trustee makes an immediate payment of \$45,000 to the Mining Company, to be used for the purpose of satisfying outstanding obligations of the said Companies for work heretofore done and/or material supplied on the mining claims, then the Trustee shall be entitled to receive from the escrow agent a certificate for 25% of the total authorized capital stock of the Mining Company; immediately following the exploration period and provided the Trustee has paid the said sum of \$45,000, the Trustee shall have a further period of 16 months within which to complete an evaluation of the results of the exploration and development work done on the mining properties and, if results warrant, to determine the size, type, etc. of the mining and milling machinery and equipment which will be necessary to place the property into commercial production and to prepare the necessary feasibility studies and mill design and arrange on behalf of the Mining Company for the funds required to finance same; upon the above being completed, the Trustee shall present to the said Companies a report covering same and will disclose the financing plans;

provided the Trustee pays the said sums of \$75,000, \$45,000 and \$6,240 as above set forth, the Trustee shall select the method of defraying the cost of the exploration and development of the mining properties, the cost of the mill, plant and machinery and the erection and installation thereof and, without limiting the generality of the foregoing, same may be financed by way of advances of money to the Mining Company, by way of pledging the credit of the Mining Company or otherwise; provided, however, that if a report indicates the necessity of placing a mortgage or other type of encumbrance upon the mining claims and it is evident that the funds secured through such mortgage will with reasonable probability procure the completion of placing the mining claims into commercial production, then the Trustee shall mortgage or encumber the said property; and, further, any lien or encumbrance placed upon the said property shall be subordinate to the rights of the said Companies to receive the royalties hereinafter provided;

it is anticipated that a period of time extending as much as thirty months may be required for the construction and installation of the mill and equipment and placing the mining claims in condition for commercial production; as a result, the parties agreed that the Trustee shall have a period of 46 months immediately following the exploration period in which to place the mining properties into commercial production;

in the event the Trustee shall fail to arrange the funds for the Mining Company for the purpose of carrying out the intentions hereinbefore set forth, then the said Companies, or either of them, shall be entitled to terminate the agreement upon giving written notice to the Trustee and if such default is not cured within 30 days after receipt of such notice, the agreement shall terminate and the Trustee shall be exonerated from any further liability or obligation thereunder; save and except the Trustee must pay or arrange payment for all obligations assumed or incurred by the Mining Company or the Trustee prior to the date of termination, and provided, further, that the Trustee shall also forfeit the right to receive 65% of the authorized capital stock of the Mining Company being held by the escrow agent; if, at any time during the 46 month period, the Trustee shall notify the said Companies that he does not wish to proceed further under the terms of this agreement, then the agreement shall terminate and the Trustee shall be exonerated from any further liability, save that the Trustee must pay or satisfy all obligations assumed or incurred by the Mining Company prior to the date of said notice and the Trustee shall forfeit his right to receive the said 65% of the authorized capital stock of the Mining Company; upon completion of the above programme for the development of the mining properties and the placing of same in production, the Trustee shall then be entitled to receive from the escrow agent the certificates evidencing ownership of 65% of the total authorized capital stock of the Mining Company;

the said Companies acknowledge that they have notice that the Trustee is merely acting as a Trustee for a company to be designated by him, the shares of the capital stock of which Company are listed on the Toronto Stock Exchange, and that such company will take over and assume all the obligations to be performed by the Trustee and shall also receive all the rights to be acquired by the Trustee under the agreement, the same as though the said company were an original party to the said agreement; the said Companies agree that upon the Trustee transferring to such designated company all the Trustee's right and interest in and to the said agreement, and such company agreeing to assume and carry out the terms and covenants of the agreement, the Trustee shall be automatically freed from any liability or obligation under the agreement;

the said Companies shall receive as royalties 2½% of the net smelter returns from any and all ores produced, mined and milled on the said properties and sold;

upon the incorporation of the Mining Company the directors and officers shall be nominees of the Trustee and shall have complete control and management of the Mining Company unless the Trustee or his assign defaults in any provisions herein contained;

in the event that any of the said Companies desire at any time to sell any of the shares in the capital stock of the Mining Company owned by them or any of them, then the Trustee shall have the right of first refusal to buy the said shares; since the Company to which the Trustee is assigning his interest in this agreement is a company whose shares are listed on the Toronto Stock Exchange, it is a condition precedent to a binding contract that a filing statement or amending filing statement of such company, disclosing the terms of this agreement, must be accepted for filing by the Toronto Stock Exchange, otherwise, this agreement and everything herein contained shall be null and void and of no effect; in the event that the said filing statement is not accepted for filing by the Toronto Stock Exchange by August 4, 1964, any one of the parties to the agreement may terminate the agreement by written notice to the other parties;

in the event the Trustee makes any default in the performance of any provision hereunder, forfeiture shall not become operative until 30 days immediately following the giving of written notice to the Trustee of such default and a demand for the curing of same, and if such default is not cured within the said 30 day period, then the Trustee shall forfeit all his rights hereunder.

FINANCIAL STATEMENT

UNITED COMSTOCK LODE MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the two month period ended June 30, 1964

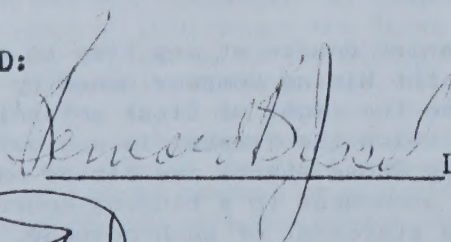
Source of funds

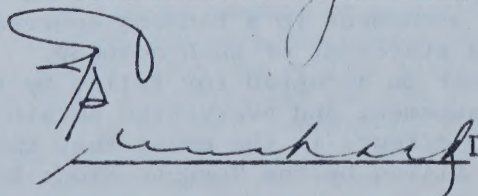
| | |
|--|--------------------|
| Decrease in advances for exploration on Nevada mining leases. | 3,500.99 |
| Decrease in working capital | <u>48,485.26</u> |
| | <u>\$51,986.25</u> |

Application of funds

| | |
|--|--------------------|
| Mining claims, Timmins area, Ontario | 30,400.00 |
| Development expenditures: | |
| Storey County, Nevada | 16,539.54 |
| Timmins, Ontario. | 1,284.69 |
| Administrative and corporate expenses. | <u>3,762.02</u> |
| | <u>\$51,986.25</u> |

APPROVED:

 Director

 Director

ENGINEER'S REPORT

Note - The following are excerpts from a report by F.J. Garbutt, P.Eng., dated July 8th, 1964, on mining claims located in Yavapai County, State of Arizona, U.S.A. A complete copy of this report is on file at the Toronto Stock Exchange.

CONCLUSIONS

Widespread copper mineralization occurs on the property in the Yavapai schists, a formation known to be productive. On the Copper Queen and Binghamton ridges mineralization is indicated over widths exceeding 200' by surface and underground sampling, and mineralization is known to persist to a depth of several hundred feet. The surface sampling results might appear low, but considering surface oxidation and the widths of mineralization, the values are promising. The recent underground sampling indicates good copper values across widths of 250' to 300', without reaching the limits of mineralization.

Considerable information is required before judging the true worth of the property, but it has the potential to develop into a large tonnage, low cost producer.

It is concluded that the property warrants a great deal of work to substantiate the present indications and determine the dimensions and grade of the deposit.

RECOMMENDATIONS

It is recommended that sampling and diamond drilling be started as soon as practical, to determine the grade and possible extent of the copper mineralization. Work should be concentrated on the two mineralized ridges, from the base upward, to prove whether tonnages and values are sufficient for a large tonnage, low cost operation.

The recent underground sampling should be substantiated by carefully resampling the 400 level and 200 level adits, and the south adit and Porcupine Tunnel should be sampled.

Six horizontal diamond drill holes, of N size, totalling 4000 feet are recommended. If collared near the west base of each ridge and inclined up 1° or 2°, both core and sludge could be recovered for assaying. All holes should be directed about 10° north of east to cut the mineralized schists normal to their strike. Allowing some latitude for field conditions, the locations and lengths of the proposed holes are as listed below.

- HOLE 1: CQ coordinates 00N and 80E at elev. 4000'.
At west base of CQ ridge, 50' south of portal
of 400 level adit. Length 600'.
- HOLE 2: CQ coordinates 500N and 180E at elev. 4050'.
At west base of CQ ridge on section 500' north
of Hole 1. Length 800'.
- HOLE 3: CQ coordinates 1000N and 200E at elev. 4100'.
At west base of CQ ridge on section 500' north
of Hole 2. Length 800'.
- HOLE 4: CQ coordinates 800N and 1180W at elev. 4150'.
At west base of Binghamton ridge to go under
the Porcupine Tunnel. Length 600'.

HOLE 5: GQ coordinates 130S and 840W at elev. 4035'.
At west base of ridge on section 1000' south
of Hole 4. Length 500'.

HOLE 6: No fixed location. Depending upon results, to
be located 500' south of Hole 1 or 500 north
of Hole 3 or on section half way between Holes
4 and 3. Length about 700'.

Geological work is recommended to study the structure, and the
control and association of mineralisation. This would guide later de-
velopment.

The estimated cost of 4000' of drilling, at \$8.00 per foot in-
cluding extras and assaying, totals \$32,000.00. Costs for engineering
and supervision, geological work, and sampling and assaying adits, would
approximate \$12,000.00. A further \$6,000.00 should be allotted for trans-
portation and other costs and for contingencies. Thus to complete the
work recommended, the company should be prepared to expend a total of
\$50,000.00.

If two drills are used, the estimated time to complete all the
work is under three months.

F. J. Garbutt
F. J. Garbutt, P. Eng.

CERTIFICATE

I, FRED JAMES GARBUTT, of the City of Toronto, in the County
of York, hereby certify:

a. THAT I am a Mining Engineer residing at 242 Hanna Road,
Toronto 17, Ontario;

b. THAT I graduated with the degree of B.Sc. in Mining, from
the Montana School of Mines, in the year 1939;

c. THAT I am a registered Professional Engineer in the Province
of Ontario, and have been practicing my profession for over twenty years;

d. THAT I have no interest in, nor do I expect to receive any
interest in, the Copper Queen and Birmingham properties reported on in
this report;

e. THAT I do own 19,000 shares of United Comstock Lode Mines
Limited, purchased by me on the open market between March 1 and June 2,
1964;

f. THAT the attached report is based on examinations of the
property, a study of available reports, interviews with several persons,
all of which are as specified in the body of this report.

F. J. Garbutt
F. J. Garbutt, P. Eng.

July 8, 1964

